



Town of Amherst Affordable Housing Plan: 2003 Update

Housing Partnership/Fair Housing Committee



December 30, 2003

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I. Introduction

A. Amherst Housing Policy & Focus of This Plan

At their October 21, 2002, meeting the Select Board adopted the following policy, which contains Amherst's three goals regarding diversity and accessibility of housing:

Amherst Housing Policy

Whereas: The Town of Amherst values its diverse cultural community and acknowledges that to sustain it now and into the future requires preserving the existing stock of housing and promoting future development of a broad range of safe, accessible, affordable housing for our community,

To this end Amherst shall:

Actively support initiatives designed to preserve, develop and/or replenish its affordable housing inventory;

Actively promote access to housing for all persons, regardless of race, color, creed, national origin, sexual orientation, physical capabilities, marital or social-economic status;

Commit to educating the public on all housing conditions, current housing laws and regulations, and enforce housing laws and protections within the community.

The 2003 *Affordable Housing Plan* is an update of Amherst's 1992 *Fair Housing Plan*, and its intent is to provide a basis for plans and actions that implement the Town's Housing Policy. This update concentrates on the aspects of housing planning that relate to issues of affordability and ranges of housing choice that offer alternatives to large single family homes.

B. Process That Produced the 2003 *Affordable Housing Plan* Update

Working from this policy, the 2003 housing planning effort updated the 1992 *Town of Amherst Fair Housing Plan*. The first step in the update was to compile and review the most recent information available about the community's housing and residents. This inventory is presented in Section II, below.

The Housing Partnership/Fair Housing Committee then convened two joint public forums of Town boards, other groups engaged in housing-related efforts, and the community at large. The first forum, held on September 10, 2003, reviewed highlights of the updated inventory and considered their implications for Amherst's housing goals. Participants then discussed priority needs and suggested revisions to a draft set of potential strategies. The second forum was held on October 22, and participants first confirmed the Plan's statement of priority needs. Participants then suggested the most promising strategies that they felt should be pursued next.

C. Acknowledgements

Much of the data reported in Section II of the Plan was provided by Town Departments. The Housing Partnership/Fair Housing Committee thanks Assessor David Burgess, Sanitarian David Zarozinski, Building Commissioner Bonnie Weeks, and their staff for the time and expertise they shared with the Committee and the project's consultant. Additional important information was provided by Donna Crabtree and Pam Predmore at the Amherst Housing Authority, the UMass Commuter Services & Housing Resource Center, and former Amherst Senior Planner Connie Kruger.

The Committee especially thanks the townspeople who attended the two community working sessions that confirmed the Housing Plan's strategies and suggested priorities for the Action Plan.

Townspeople who served on the Housing Partnership/Fair Housing Committee during the course of the 2003 Update were:

Audrey Child, Chair	Mariana Luz	Joan Lindeman	Penny Pitts
Frank Wells	Nancy Gregg	Carl Seppala Select Board Liaison	Joanne Levenson Associate Member

Robert Mitchell, AICP, Director of the Amherst Planning Department served as project officer, and Associate Planner Niels LaCour provided the GIS services.

Jeanne H. Armstrong of LandUse, Incorporated, served as facilitator and planning consultant to the 2003 Affordable Housing Plan Update.

Consulting services were funded through a Local Planning Grant from the Commonwealth of Massachusetts's E. O. 418 Community Planning Program, administered by the Interagency Working Group of funding agencies:

- **the Executive Office of Environmental Affairs,**
- **the Department of Housing and Community Development,**
- **the Department of Economic Development, and**
- **the Executive Office of Transportation and Construction.**

The Pioneer Valley Planning Commission administered the 418 planning grant at the regional level.

II. Current Housing Supply & Conditions

A. Introduction

The first step in this year's housing planning effort was to prepare an assessment of Amherst's current housing conditions and supply. The intent was to update the information presented in the 1992 *Fair Housing Plan* to provide a solid basis of information for further analysis, setting of goals, and agreement on action steps. Sources of the information presented in this inventory include:

- 1990 U. S. Census
- 1992 *Fair Housing Plan*
- 2000 U. S. Census
- The Planning Department's December 2002 *Data Book* highlights of the 2000 U. S. Census
- Amherst Assessor records and reports
- Donna Crabtree & Pam Predmore at the Amherst Housing Authority
- UMass Commuter Services & Housing Resource Center survey of off-campus rental housing rates
- Survival Center records for the Food Box program
- Discussion and review of materials with Connie Kruger, former Senior Planner
- Interview with David Zarozinski, Sanitarian
- Interview and materials from Bonnie Weeks, Building Commissioner

B. Numbers and Types of Housing Units in Amherst

The 1990 and 2000 U. S. Census report the following numbers of *housing units* and the types of residential *structures* that contain them:

Figure 1: Units in Residential Structures, 1990 & 2000

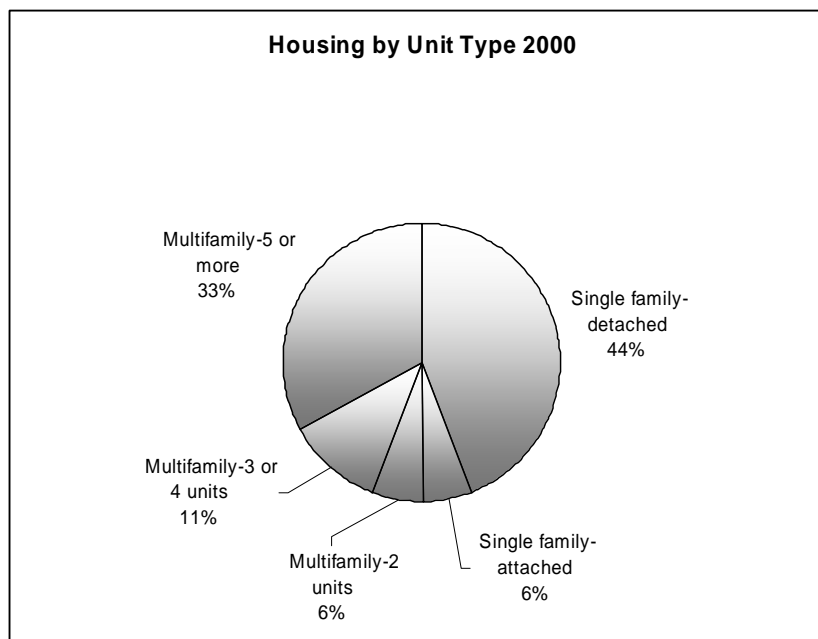
Sources: 1990 & 2000 U. S. Census

Type	# 1990	% 1990	# 2000	% 2000	Change in #	% Change
<i>Single family</i>	4,229	48.0	4,683	49.7	454	10.7
Detached	3,655	41.4	4,148	44.0	496	13.5
Attached	577	6.5	535	5.7	(42)	(7.3)
<i>Multifamily</i>	4,415	50.1	4,739	50.3	324	7.3
2 units	514	5.8	579	6.1	65	12.6
3 or 4 units	927	10.5	1,052	11.2	125	13.5
5 or more	2,974	33.7	3,108	32.9	134	4.5
<i>Other</i>	169	1.9	4	0.0	(165)	(97.6)
Totals	8,816	100.0	9,426	100.0	610¹	6.9

Between 1990 and 2000 there were shifts in the exact percentages of units in different types of structures, but a striking characteristics of Amherst's housing stock is that the majority of housing units continue to be located in multifamily and attached single family structures.

Figure 2: Proportions of Different Housing Types, 2000

Source: 2000 U.S. Census



¹ There is a discrepancy in this column which may result from differences in the definition of "other"

C. Production of Housing Units Since 1980 and Age of Housing Stock

The following figure shows that since 1980 Amherst has seen fluctuating annual production of housing units, but consistently with a significant proportion of the units being in structures other than single family.

**Figure 3: Annual Production of Housing Units Since 1980,
Comparing Numbers of New Single Family and Multi-family Units**

Source: 2000 U. S. Census

Year	Total Units	Single Family	Multi-family *
1981	70	40	30
1982	47	25	22
1983	69	59	10
1984	98	73	25
1985	216	112	104
1986	199	118	81
1987	155	56	99
1988	78	55	23
1989	212	53	159
1990	130	25	105
1991	40	24	16
1992	41	36	5
1993	110	51	59
1994	51	44	7
1995	63	38	25
1996	52	39	13
1997	118	32	86
1998	36	24	12
1999	38	29	9
2000	52	37	15

(*) Multi-family includes apartments, conversions, duplexes, mixed-use units, and assisted living units.

As of June 2003 the records of the Amherst Assessor² report the following numbers and characteristics of residential *parcels and structures*:

**Figure 4: Numbers & Characteristics of Residential Parcels & Structures, June 2003,
NOT Including Units Owned by the Commonwealth, Amherst Housing Authority or
Other Non-Profit Organizations**

Source: Town Assessor

Use code ³	Type	# parcels	# units	Median yr constructed	Median total assessed value
	<i>Mixed Use:</i>				
0101	1/F & business	13	13	1950	\$304,700
0104	2/F & business	4	8	1900	215,700
0105	3/F & business	4	12	1920	717,400
0111	4-8/F & business	4	*	1950	772,700
0130	9+/F & business	4	*	1963	984,700
1010	Single family	4,078	4,078	1967	204,650
1020	Condominium	845	845	1971	109,000
1040	2/family	254	508	1900	226,500
1050	3/family	72	216	1900	261,000
1070	Assessory Apartments	39	78	1965	262,700
1090	Parcel w/ multiple houses	77	*	1910	289,700
	<i>Multi-family:</i>				
1110	4-8 units	52	181**	1900	306,950
1120	9 and more units	246	2,280**	1971	6,280,300
1200	Bed & Breakfast	3	*	1878	657,600
1210	Rooming & Boarding Houses	2	*	1890	235,000
1220	Fraternities & Sororities	13	*	1910	331,900
1250	Other, e.g. Co-housing	51	*	1994	140,600
	<i>Undeveloped land:</i>				
1300	Buildable	317	572.34 ac.	Median 0.82 ac	76,400
1310	Potentially buildable	9	11.28 ac.	Median 0.61 ac	44,800
1320	Not buildable	345	745.53 ac.	Median 0.45 ac	400

* Since number of units vary per parcel, requires search of each set of records

** See report from Assessor, Appendix B.

Note: Figure 4 does not include units that have received permits but have not yet been built or occupied. As of July 2003 these included 24 apartments on Gatehouse Road that are being converted from business units. As of July 31, 2003, there were outstanding building permits for the following numbers and types of housing units which are not included in Figure 4⁴:

² Assessor David Burgess was very helpful in providing digital records of all residentially-related parcels and also in producing special computer generated analysis reports.

³ Assessor land use codes as specified by Mass. Department of Revenue.

⁴ Information provided by Bonnie Weeks, Building Commissioner

- 1 2-family structure
- 335 units on Greenleaves Drive which are designed for “aging in place” living for persons 55 years of age and older: a mix of independent living, assisted living, and nursing home facility. This development will consist of a total of 335 units: 100 assisted living and 235 independent living.
- 1 single-family structure to replace one destroyed by fire
- 15 single-family structures [permits issued prior to 2000 but still outstanding]
- 59 single-family structures [permits issued 2000 or later, still outstanding]

Figure 4 shows that a striking number of Amherst’s residential *structures* were built more than 30 years ago. Figure 5 reports this characteristic in terms of residential *units*.

Figure 5: Age of Housing by Number of Units

Source: 2000 U.S. Census

	Number	Percent
1939 or earlier	1,777	18.9
1940 - 1959	1,107	11.7
1960 - 1969	1,797	19.1
1970 - 1979	2,468	26.2
1980 - 1989	1,428	15.1
1990 – March 2000	849	9.0

Amherst’s aging housing stock raises the question of whether there is a pattern of deteriorated structures. The Town’s inspectors observe⁵ that when a building’s condition fails to meet Building Code requirements, windows are a relatively frequent reason. To meet code, a window must be weather tight but able to be opened, allow no drafts, have unbroken glass, and have screens in summer. Lead paint problems often surface around windows that were installed prior to 1978, because window sills, for example, are classified as “impactable and mouthable surfaces”. [Other problems noted less frequently include smoke detectors not in working order, mold, doors not functioning properly, and hot water not measuring between 110 and 130 degrees.]

The inspectors point out that big rental complexes are relatively well taken care of by management. Most instances of non-compliance occur in smaller rental properties: older single family, 2-family, and 3-family structures. Older residential structures have wooden windows, and this correlates closely with the problems described above. [The “median year constructed” column in Figure 4 confirms the pattern of aged 2- and 3-family structures, accessory apartments, and mixed use with residential components.] Another pattern that is noted by inspectors is that as a residential structure gets older, student tenants take poorer care of it, so the deterioration process speeds up.

From the perspective of safety and enforcement, the Building Commissioner reports that there is “massive non-compliance” relating to excessive numbers of residents in structures. There is the need to clarify the Zoning Bylaw’s definition of “lodging house”. At present a dwelling unit should be home to no more than 4 unrelated individuals, but with Amherst’s tight rental housing market, there is incentive for residents to increase the number of housemates for the sake of sharing expenses.

⁵ Interview with David Zarozinski, Town Sanitarian

D. Cost of Homeownership & Renting, Tenure & Vacancy

Owning or renting a home is more expensive in Amherst than in Hampshire County as a whole. In 2000 Amherst's median home value was 24.3% higher, and median rent was 8.9 % higher than the County's. Amherst's rise in house values has outstripped a similar rise throughout the county.

Figure 6: Median Home Values in 2000, Comparing Amherst and Hampshire County

Source: 2000 U. S. Census

Amherst	\$177,000
County	\$142,400

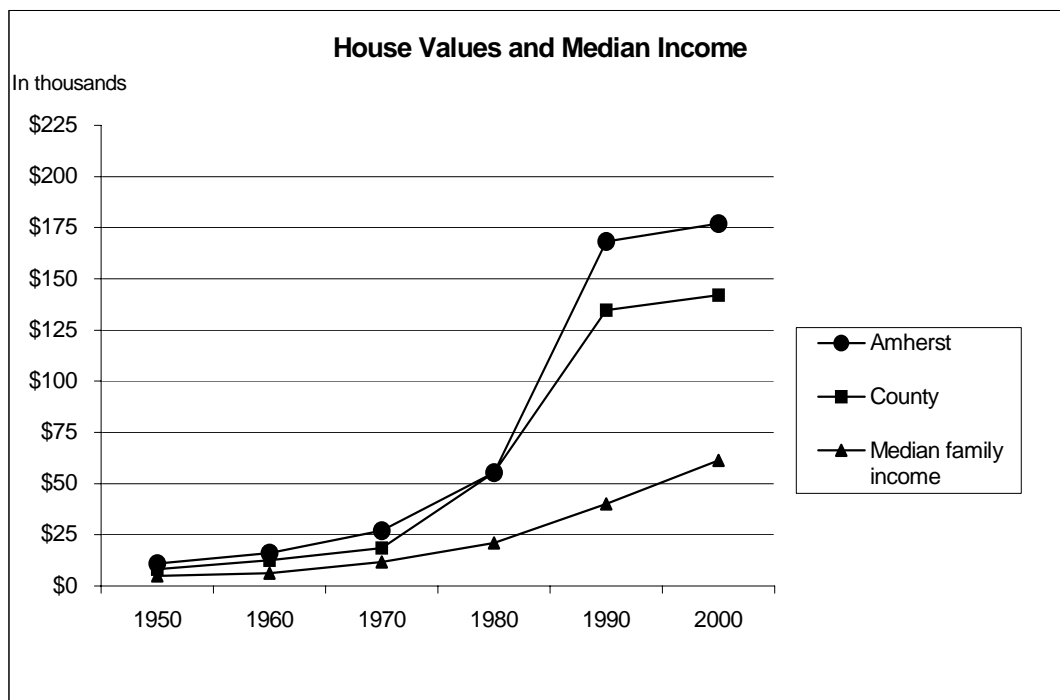
Figure 7: Median Monthly Rent in 2000, Comparing Amherst and Hampshire County

Source: 2000 U. S. Census

Amherst	\$687
County	\$631

Figure 8: Rise in House Values in Comparison with Rise in Median Family Income

Source: 2000 U. S. Census



Compared to Hampshire County as a whole, Amherst provides a comparatively large proportion of rental units [see Figure 9]. Figure 10 shows, however, that Amherst has a consistently low vacancy rate for both rental and homeownership opportunities.

Figure 9: Tenure and Vacancy in 2000, As Percent of Hampshire County's Housing Units

Source: 2000 U. S. Census

Vacant	9.5%
Occupied	16.4%
Owner occupied	11.4%
Renter occupied	25.7%
Total Units	16.1%

Another key aspect of rental housing opportunity in Amherst is shown by the following figure. Despite the increases in multifamily units between 1990 and 2000, **Amherst gained a total of 2 rental units**. This apparent discrepancy is explained by the market for owner-occupied condominium attached units.

Figure 10: Housing Units by Tenure & Vacancy, Comparing 1990 & 2000

Sources: 1990 and 2000 U. S. Census

Type	# 1990	% 1990	# 2000	% 2000	Change in #	% Change
<i>Occupied units</i>	8,477	96.2	9,174	97.3	697	8.2
Owner - occupied	3,436	39.0	4,131	45.0	695	20.2
Renter- occupied	5,041	57.2	5,043	55.0	2	0.0
<i>Vacant units</i>	339	3.8	253	2.7	(86)	(25.4)
For seasonal, recreational use	53	0.6	62	0.7	9	17.0
Total units	8,816	100.0	9,426	100.0	610	6.9
Rental vacancy rate		1.3		1.7		
Homeowner vacancy rate		1.1		0.4		

This figure reiterates Amherst's very low vacancy rate for both owner-occupied and rental units.

One crucial aspect of housing opportunities is the *number of bedrooms* in housing units, because this correlates with the type of household and size of household whose needs would be met by a given

housing unit. Figures 11 & 12 report information reported by the U. S. Census and Amherst Assessor records about numbers of bedrooms in rental and owner-occupied units.

Figure 11: Numbers of Bedrooms by Tenure in 2000

Source: 2000 U. S. Census

# Bedrooms	Total Occupied Units	# Owner-Occupied	# Renter-Occupied
None	272	0	272
1	1,721	64	1,657
2	2,432	541	1,891
3	2,625	1,745	880
4	1,680	1,431	249
5 and more	443	347	96

Figure 12: Numbers of Bedrooms in Units in Apartment Structures With 4 or More Units, 2003, NOT INCLUDING Amherst Housing Authority & Other Non-Profit-Owned Units

Source: Special Report Generated by Amherst Assessor from Responses to Survey of Property Owners

Total units in structures on parcels with Assessor land use codes 1110 or 1120 [See Figure 4]	2,461
# studios or efficiencies	50
# 1-bedroom units	798
# 2-bedroom units	1,217
# 3-bedroom units	337
# 4-bedroom units	59

Although they are based on different data, both Figure 11 and Figure 12 point to the relatively limited number of rental opportunities for families with children or other households containing more than 2 or 3 residents.

It should be noted that the supply of rentals appropriate for families is even more limited than may appear in these figures. If a family is participating in the rental voucher program, and their children are a boy and a girl, they are required to have a separate bedroom for each child. As a consequence, in a 2-bedroom rental the adults sleep in the living room.

Figure 13 summarizes the numbers of units administered by the Amherst Housing Authority. Note that these units are *not included* in Figure 12's data, but *should be* reflected in Figure 11's 2000 Census data. This also holds true for the units of family housing provided by the University of Massachusetts listed below.

Figure 13: Housing Administered by the Amherst Housing Authority, July 2003

Source: Amherst Housing Authority

Type & Location	# Units	Funding Type	Date of Occupancy
<i>Elderly/Handicapped</i>			
Chestnut Court Apts.	30 (2 accessible)	State	1962
Ann Whalen Apts.	80 (3 accessible)	State	1975
Jean Elder House *	23	State	1980
<i>Family</i>			
Watson Farm Apts.	15 (2 accessible)	Federal	1982
Stanley St.	2	State`	1988
Jenks St.	4	State	1989
Olympia Drive	4 (1 accessible)	State	1992
Fairfield St.	6	State	1992
Bridge St/Market Hill	6	State	1992
<i>Handicapped</i>			
John C. Nutting	5 (5 accessible)	State	1981
Moreau House **	8	State	1990

* 17 units leased to special needs, residential programs

** 8 units leased to special needs, residential program

In addition to the units listed in the figure above, the Amherst Housing Authority administers rental assistance programs under contract. These programs provide rental vouchers for subsidized rental of 448 units in private ownership.

Federal Section 8 Rental Voucher Program	413 units
Mass. Rental Voucher Program/Alternative Housing Voucher Program	35 units

Through the University of Massachusetts, the Commonwealth provides a total of 345 units of family housing: 240 in the North Village Apartments, and 105 in the Lincoln Avenue Apartments.

Each year the UMass Commuter Services & Housing Resource Center conducts a detailed survey of off-campus rental housing rates in Amherst and in surrounding municipalities. In almost all categories of units during the academic years 2000-2001, 2001-2002, and 2002-2003 Amherst rents were consistently higher than those for comparable units in surrounding towns and Northampton. The survey also documents that Amherst rents in all categories are rising, as summarized below.

**Figure 14: Changes in Average Contract Rents in Amherst,
Comparing Academic Years 1999-200 & 2002-2003**

Source: University of Massachusetts commuter Services & Housing Resource Center

Type of Unit		1999-2000	2002-2003	% change
Houses	# bedrooms			
	2	\$1,002.50	\$1,085.00	8.2%
	3	1,112.00	1,451.09	30.5%
	4	1,398.48	1,594.12	14.0%
	5	1,512.50	2,125.00	40.5%
	6	2,131.67	2,533.33	18.8%
Apartments in Houses	Studio	514.00	612.50	19.1%
	Studio w/heat	535.00	606.25	13.3%
	1	562.37	692.31	23.1%
	1 w/heat	650.97	733.86	12.7%
	2	818.54	887.33	8.4%
	2 w/heat	798.33	1,024.44	28.3%
	3	1,068.11	1,274.50	19.3%
	3 w/heat	1,125.00	1,350.00	20.0%
	4	1,446.00	1,510.00	4.4%
	4 w/heat	n.a.	1,977.50	n.a.
Apartments in Complexes	Studio	517.50	512.50	(1%)
	1	568.47	668.28	17.6%
	2	753.82	873.43	15.9%
	3	1,138.50	1,294.23	13.7%
	4	n.a.	1,716.25	n.a.
Rooms in Private Home	Kitchen priv.	334.52	398.08	19.9%
	No kitchen	350.36	379.17	8.2%

The assessor tracks all sales prices of properties in Amherst. The following figure shows these prices in recent years, comparing different types of structures. Note that these data combine all units, whether rental or owner-occupied.

**Figure 15: Recent Sales Prices for Residential Structures in Amherst,
Comparing Different Types of Structures & Ownership**

Source: Report by Town Assessor

Year	Type	Total sales	Median sales price	Average sales price	Notes
2000	S/F	127	\$182,500	\$223,954	April through December only
	Condo.	66	104,000	106,474	Entire year
	2/Fam	9	210,000 [105,000/unit]	106,417	Entire year
2001	S/F	144	208,750	237,583	14.4% increase in median
	Condo.	79	116,000	118,785	11.5% increase in median
	2/Fam	9	235,000 [117,500/unit]	122,622	11.9% increase in median
2002	S/F	163	209,900	245,036	0.6% increase in median Increasing # prices at upper end
	Condo.	71	125,000	130,610	7.8% increase in median
	2/Fam	8	252,588 [126,294/unit]	131,386	7.5% increase in median
2003 through June 27	S/F	57	246,000	262,604	17.2% increase in median, but note only partial year data
	Condo.	34	110,600	133,313	11.5% <i>decrease</i> in median, but note only partial year data
	2/Fam	2			Trend skewed by one sale @ \$650,000

These sales data show an active real estate market in Amherst. It is also clear that the market in condominium homes provides an important set of affordable options. The Town's Director of Planning points out that there are homeowners who are buying into the upper price range in such areas as Amity Place and Upper Orchard. Meanwhile, first-time homebuyers and investors interested in rentals are purchasing condominiums in lower price ranges, for example at Salem Place, Meadow Street, and The Brook.

Two-family homes are also relatively affordable in comparison to single-family homes, although the number of such buildings for sale is small compared to the number of single-family and condominium homes that have been available for purchase since 2000.

Sales prices for all three housing types have risen sharply since 2000. With the exception of a slower rate of increase in 2002, the sales prices for single-family homes are rising significantly more rapidly than the prices for condominiums & two-family units. Single-family sales during the first half of 2003 indicate a surge that will make up for 2002's slower increase and result in rises comparable to 2001.

E. Households Who Are Financially Stressed By Housing Costs

Mortgage bankers and public agencies concerned with housing use the rule of thumb that a household should pay no more than 30% of monthly income on housing costs. When a household pays more than this for housing costs, it means that they will be underfunded for other basic needs such as food, medicine, clothes, transportation, and education. For a homeowner the costs to be covered within this 30% threshold are mortgage [if any], certain insurance, property taxes, and utilities. For renters the “gross rent” costs are rent and utilities if they are not included in the rent. Here is what the Census reports about homeowners and renters who in 1999 paid more than 30% on housing costs:

Figure 16: Percentages of Homeowner Households’ Monthly Income Spent on Housing, 1999, Comparing Households With and Without a Mortgage, Highlighting Households Financially Stressed Due to Housing Costs

Source: 2000 U. S. Census

% HH Income	# HH	% of all Homeowner HH	With mortgage	Without mortgage
Under 10.0%	707	20.0	233	474
10.0 – 14.9%	568	16.0	394	174
15.0-19.9%	741	20.9	643	98
20.0%-24.9%	511	14.4	482	29
25.0-29.9%	349	9.9	314	35
30.0-34.9%	111	3.1	95	16
35.0-39.9%	153	4.3	136	17
40.0-49.9%	124	3.5	84	40
50% or more	252	7.1	196	56
Not computed	24	0.7	5	19
Totals	3,540	99.9	2,582	958
Median % HH income spent on homeownership	18.3%		20.2%	9.9%

In 1999 640 homeowner households [18%] paid more than 30% of their monthly income on housing costs, and 252 [7.1%] of those households spent more than 50%. 129 of those financially stressed households did not have mortgage payments, that is, they were paying more than 30% of their income on utilities, property taxes, and housing-related insurance.

Figure 17 indicates that even more renting households were under financial stress due to housing costs.

**Figure 17: Percentages of Renting Households' Income Spent on Gross Rent, 1999,
Highlighting Households Financially Stressed Due to Housing Costs**

Source: 2000 U. S. Census

% HH Income	# HH	% of all renting HH
Under 10.0%	298	6.0
10.0 – 14.9%	400	8.0
15.0-19.9%	501	10.0
20.0%-24.9%	425	8.5
25.0-29.9%	487	9.7
30.0-34.9%	275	5.5
35.0-39.9%	428	8.6
40.0-49.9%	480	9.6
50% or more	1,479	29.6
Not computed	226	4.5
Totals	4,999	100.0
Median HH income spent on gross rent	35.0%	

In 1999 2,662 [53.3%] of reporting renting households paid more than 30% of their household income on gross rent, and 1,479 [29.6%] of these paid more than 50% of their income on gross rent.

In Amherst's situation these figures are likely to be exaggerated by the presence of so many households comprised of students. The Census reported almost 1,700 non-family households with the "householder's" age under 25, so these may account for a good portion of the households paying so high a percentage of income on rental costs. By the same token, however, this same market force of student rentals drives up rents for everyone.

The Amherst Housing Authority reports that as of June 2003 the Authority's waiting lists include:

- 106 applicants for Elderly/Handicapped units. [This list is open for additional applicants.]
- 166 applicants for family housing. [This list is open for additional applicants.]
- 805 applicants on the Federal Section 8 voucher program. [This list includes applicants from throughout the state, and it is open for additional applications.]

For a person over 60 applying during the summer of 2003 for a unit in Housing Authority properties, the wait is likely to be about a year. A person between the ages of 50 – 59 with a disability would probably be able to move in with a wait of between 1 & 2 years. A person under 50 with a disability would need to expect a wait of up to about 5 years. The waiting period for family housing units varies by number of bedrooms needed, but the wait can be many years because units often are slow to "turn over". In many cases families stay until the children are grown and leave the home. In certain documented emergency situations a person or family may be moved to the top of the waiting list.

Another indicator of households under financial stress is reported by the Amherst Survival Center's Food Box Program, where during FY02 an unduplicated total of 376⁶ Amherst households came at least once to receive food⁷. To qualify for this assistance, a household must have a very low annual household income, for example a family of 4 earning \$18,000/year.

⁶ "Unduplicated" means that each household was only counted once, even though they may have made multiple visits.

⁷ Source: Nancy Gregg, President of the Survival Center's Board of Directors.

F. Housing Units Whose Costs Resist Market Forces, and Their Location

Figure 18 reports Amherst's official Massachusetts Department of Housing and Community Development "count" of units toward the Commonwealth's target of 10% affordable units in each city and town in the state. Note that there are complex regulations that determine which units "count", and that these regulations are under review as of July 2003. Also note that at present, it is the funding source or program under which units are constructed that determines eligibility to "count", so – for example – all units in a qualifying rental development "count", but only the guaranteed affordable ones "count" in a homeownership project. Also note that the Canterbury Farms affordable units that Amherst gained through the zoning permit process do not "count" because they did not result from one of the listed programs or funding sources, but rather from a market response to the zoning bylaw's density and special permit incentives.

A final note is that the Town of Amherst appealed DHCD's 10/1/2001 Subsidized Housing Inventory and gained 11 more "counted" units: 10 homeownership units from the Locally Initiated Project ["LIP"] of the Pioneer Valley Co-housing Community on Pulpit Hill Road, and 1 homeownership unit constructed by Habitat for Humanity on Pomeroy Lane. This raised Amherst's "count" to 951 and qualifying percentage to 10.54%.

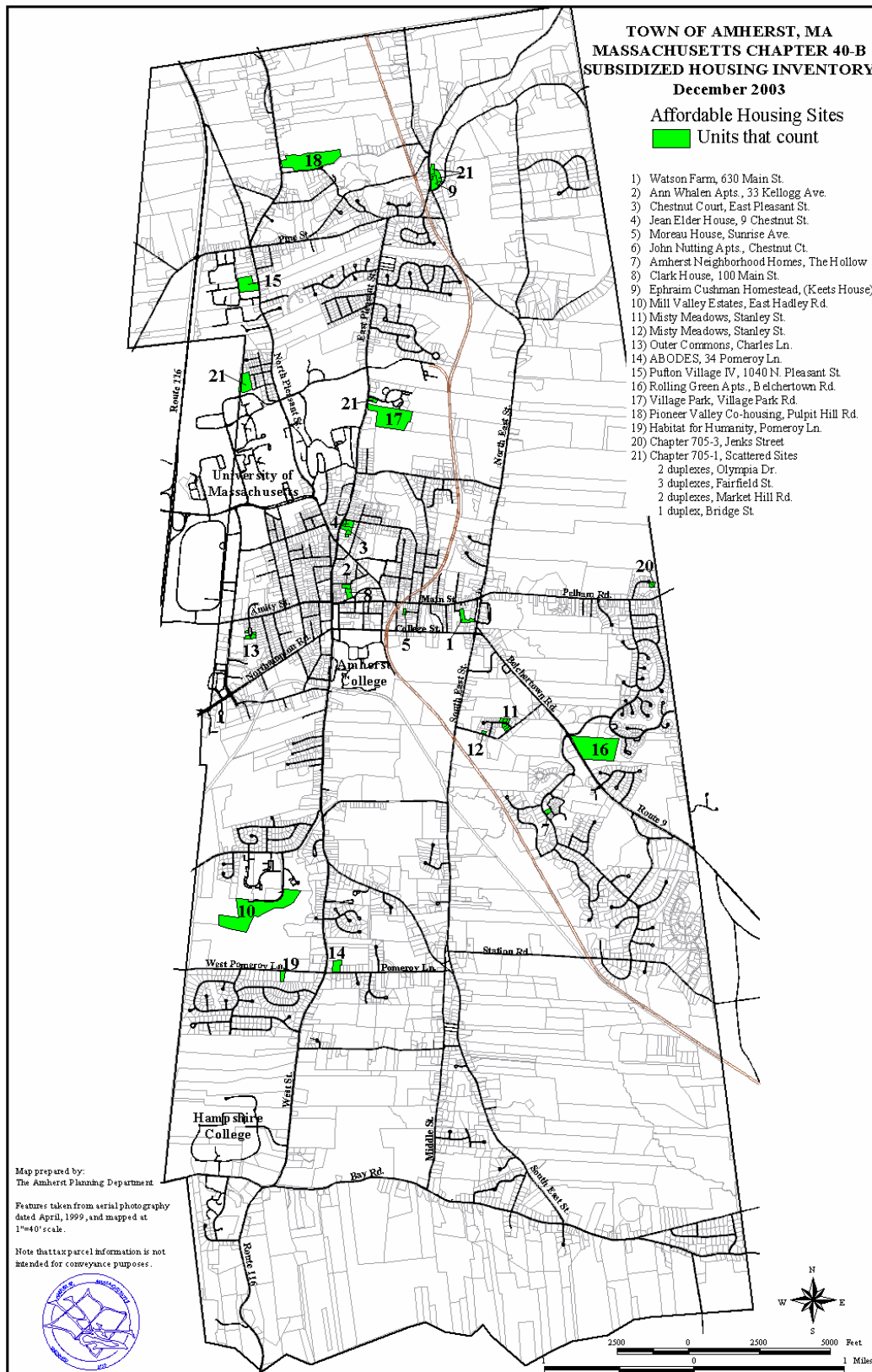
Amherst accomplished this impressive list of subsidized housing principally through timely action that took advantage of state and federal housing funding when they were available. Some of the larger developments [for example, Rolling Green and Village Park] combined available public funding with the Town's allowing rental developments by special permit with incentives and standards.

**Figure 18: Amherst Housing Units That Count Toward
Massachusetts Chapter 40-B Subsidized Housing Inventory⁸**

Key Number & Name	Address	Funding Agency	Agency Program	Total # Units	40B Units	Year End	Type
1. Watson Farm	630 Main St	HUD	PUBH	15	15	Perpetuity	
2. Ann Whalen Apts.	33 Kellogg Ave.	DHCD	667-2	80	80	Perpetuity	Elderly/ Disabled
3. Chestnut Court	East Pleasant St.	DHCD	667-3	30	30	Perpetuity	Elderly/ Disabled
4. Jean Elder House	9 Chestnut St.	DHCD	667-3	23	23	Perpetuity	Elderly/ Disabled
5. Moreau House	Sunrise Ave.	DHCD	689-2	8	8	Perpetuity	Special Needs
6. John Nutting Apts.	32-36 Chestnut Crt.	DHCD	689-1	16	16	Perpetuity	Special Needs
7. Amherst Neighborhood Homes	27 The Hollow	DHCD	HIF	4	4	Perpetuity	
8. Clark House	100 Main St	MHFA	Sec. 8	100	100	2020	Mixed (19 elder)
9. Ephraim Cushman Homestead	99 Bridge St	DHCD	LIHTC	4	4	2013	
10. Mill Valley Estates	New Hollister & East Hadley Rds	DHCD	SHARP	148	148	Perpetuity as condition of Comp. Permit	Rental 40% are affordable, 60% market rate
11. Misty Meadows	Stanley St.	DHCD	HOP	39	14	Perpetuity	Homeownership
12. Misty Meadows	50-52 Stanley St.	DHCD	705-2	2	2	Perpetuity	Housing Authority unrestricted
13. Outer Commons	Charles Ln	DHCD	HOME FTHB	6	6	2011	Homeownership
14. ABODES	34 Pomeroy Ln	DHCD	HDSP	25	25	2023	Co-op for disabled
15. Pufton Village IV	1040 North Pleasant St.	HUD	Preservation Vouchers	64	41	Since expiration, only units with pre-paid vouchers count, so # will decrease as those residents move.	
16. Rolling Green Amherst	Belchertown Rd.	MHFA	80/20	204	204	Approx. 2040	Mixed: 10 elder 20% affordable
17. Village Park	Village Park Rd.	HUD	236	200	200	Perpetuity	Unrestricted
18. Pioneer Valley Co-housing	Pulpit Hill Rd	DHCD	LIP	10	10	Perpetuity	Homeownership
19. Habitat for Humanity	Pomeroy Ln			1	1	Perpetuity	Homeownership
20. Chapter 705-3	Jenks St.	DHCD	705-3	4	4	Perpetuity	Unrestricted
21. Chapter 705-1	Scattered sites	DHCD	705-1	16	16	Perpetuity	Unrestricted

The accompanying map [see next page] marks the location of affordable units in Amherst. It shows that affordable units are distributed throughout the community.

⁸ Key numbers correlate with locations on the accompanying map [see next page].



III. Needs and Priorities

A. Housing Need and Demand

There are daunting documented numbers of Amherst households under stress due to housing costs. The 2000 U. S. Census reports the numbers of Amherst households who in 1999 paid more than 30% of their monthly income on housing. Figure 16, above, shows that the 2000 U. S. Census counted 640 home-owning households stressed by housing costs. These comprised 18% of the homeowner households in Amherst at that time. One hundred twenty-nine of these households did not have mortgage payments, but were still paying more than 30% of their income on insurance, taxes, and utilities. Figure 17 reports that 2,662 [53%] of reporting rental households paid more than 30% of their income on housing, and 1,479 of these paid more than 50%. One could say that these numbers are inflated due to the number of renting student households in Amherst. Trying to account for this, one could assertively discount the rental numbers by assuming student households comprise the approximately 1,700 rental householders aged under 25. This would still leave approximately 1,000 rental households under stress due to the cost of housing.

A second daunting component of need and demand in Amherst is the regional pattern reported in the “Report of the Regional Commission on Affordable Housing Needs for Academic Communities”, OKM & Rolf Goetz, January 1990 [funded by EOCD]. This study found that when new units are constructed in Amherst, the vacancy rate does not reflect the increase in supply. Instead, there is an increase in vacancies in surrounding communities, because Amherst has such an attractive draw that renters and homeowners quickly move in to absorb new units. Since demand is likely to continue to outstrip the market-provided housing supply, there is a pressing need to continue efforts to gain units that are cushioned against the forces of market inflation.

A key element in the continued high demand is the presence of academic institutions in and near Amherst. These institutions heighten the demand directly through influxes of staff, faculty, and students. They also have an indirect effect through adding to Amherst’s attractiveness to others, including retirees. The Town and the academic institutions need to work together to gain more housing options for the academic communities on the institutions’ on-campus and off-campus holdings. This is not a one-sided need. The institutions are beginning to feel the pinch between what they can afford to pay faculty and staff, and the rising cost of housing. Good candidates are deterred by housing “sticker shock”. The University of Massachusetts, already the largest of the institutions, has recently announced the intent to increase the size of its student body. The Town needs to work with the University to meet more of its current and future housing needs on University property.

The need and demand for affordable rentals is particularly acute. The great majority of Amherst’s rental units were constructed by the late 1970s. Since then there have been changes in the Federal tax structure pertaining to investment housing, reduced public monies to support affordable rental construction, and a recent flourish in the market for condominium ownership. As a result, during the 1990s Amherst gained 610 units, but there was an increase of only *two* rental units. [See Figure 10, above.]

Particularly in short supply are rentals for families needing more than 2 bedrooms. [See Figures 11 & 12.] Family households are in direct competition with student households for the limited supply of family-sized units. It is no surprise that Figure 14’s information on rents shows high average rents for units of all types that contain more than 2 bedrooms.

Based upon its research, the United States Department of Housing and Urban Development provides the median income in Hampshire County for households of varying sizes. The Commonwealth of Massachusetts uses this HUD-generated table of County median incomes as Amherst's "area-wide median income". Figure 19 provides the HUD-generated median incomes for Hampshire County and the corresponding income thresholds for low, moderate, and middle income as defined by Massachusetts in mid-2003.

Figure 19: Current Income Thresholds for Households as Defined by Massachusetts, Based on Hampshire County Median Incomes Defined by U. S. Department of Housing and Urban Development

Number of persons in family	Median Income Hampshire County ⁹	<u>Low income</u> if at or below this annual income [50% of County's median income]	<u>Moderate income</u> if at or below this annual income [80% of County's median income]	<u>Middle income</u> if at or below this annual income [120% of County's median income]
1	\$45,167	\$22,583	\$36,133	67,750
2	51,667	25,833	41,333	77,500
3	58,167	29,083	46,533	87,250
4	64,667	32,333	51,733	97,000
5	69,833	34,917	55,867	104,750
6	75,000	37,500	60,000	112,500
7	80,167	40,083	64,133	120,250
8	85,333	42,667	68,267	128,000

Comparing Figure 19 with average rents in Figure 14 shows the problem in a nutshell. A moderate income family of 4 earns no more than \$51,733 annually. If they are to pay no more than 30% of their monthly income on housing, they must find a rental or homeownership opportunity that costs no more than \$1,293/month. They could barely make the average 3-bedroom rental in an apartment complex, assuming they found a vacancy. The average 3-bedroom house rental or apartment in a house would be beyond their means. Meanwhile, a low income family of 4 earning no more than \$32,333 "should" spend no more than \$808/month on housing. This would cover only the average rent for studios or 1-bedroom apartments. To maintain its traditional component of working families in the community, Amherst has a pressing need to increase the number of family rentals that are cushioned from the forces of market inflation.

As reported in Section II, Amherst at present is experiencing a two-part condominium market. There are upper end priced units attracting retirees, professional couples, and others whose life-style preferences and income levels support these units. At the same time there is a lower priced component that is offering opportunities for rental investment and starter homeownership. There is both an opportunity and need for continued condominium offerings of affordable rentals and starter homeownership. New or renovated condominiums in multifamily structures can also fit with the Town's land use planning efforts to encourage clustered village-style development over scattered, landscape-consuming development. Carefully designed new or renovated condominium structures could also be a satisfactory solution to the challenges of the foreseeable market demand to increase density of construction on comparatively large residential lots in established neighborhoods.

⁹ Source: HUD web page

B. Implications of Amherst's Current Situation

1. Amherst gained most of its affordable units through assertive use of public programs and funding, but at least in the current financial cycle, there is very limited public financing available to subsidize construction of affordable units.
2. There is limited remaining developable land in Amherst. Rather than building new structures, affordable housing efforts may need to concentrate on making best use of land or buildings already in public hands and existing private buildings.
3. There are many old residential structures in Amherst. Even “new” apartment complexes are 20 to 30 years old now. Upgrading the physical condition of existing residential structures may be an unmet need. A priority might be to bring into compliance with the Building Code windows in structures with fewer than 4 units. Inspectors report a pattern of such smaller, older buildings being less well-maintained than larger complexes with professional management.
4. Older structures [especially ones that the community regards as historic and/or integral to town character] often sit on “older” proportioned parcels, for example deep back yards in the center of town. These are ripe “tear downs” for redevelopment, especially as the parcel leaves the hands of long-time owners. The pressure for this will increase as Amherst approaches build-out of remaining developable land. While this trend will be distressing to the neighbors in established neighborhoods, the community needs to be prepared to guide the process and gain the most benefits possible.
5. The supply and cost of housing in Amherst is greatly affected by the local academic communities, including staff, students, and faculty.
6. If homes are built in Amherst, people will come from surrounding areas to live in this desirable town. Due to Amherst's being so attractive, market forces will not provide affordable housing choices. The community will need to intervene actively in the development and redevelopment process to achieve the diverse and affordable choices we desire.
7. Rather than concentrating on numbers of units, Amherst's housing planning may need to concentrate on:
 - the desired ranges of housing types
[e.g. other than large single family homes on their own parcels]
 - the pattern of development and redevelopment on the landscape
[e.g. the shape of redevelopment in established neighborhoods]
8. Being just above the 10% threshold, Amherst at present is not vulnerable to “unfriendly” comprehensive permits under Chapter 40B. To stay above the 10% threshold, the community will need to keep achieving affordable units to keep pace with creation of new market rate units.

IV. Statement of Goals and Strategies

At their October 21, 2002, meeting the Select Board adopted the following policy, which contains Amherst's three goals regarding diversity and accessibility of housing:

Amherst Housing Policy

Whereas: The Town of Amherst values its diverse cultural community and acknowledges that to sustain it now and into the future requires preserving the existing stock of housing and promoting future development of a broad range of safe, accessible, affordable housing for our community,

To this end Amherst shall:

Actively support initiatives designed to preserve, develop and/or replenish its affordable housing inventory;

Actively promote access to housing for all persons, regardless of race, color, creed, national origin, sexual orientation, physical capabilities, marital or social-economic status;

Commit to educating the public on all housing conditions, current housing laws and regulations, and enforce housing laws and protections within the community.

A. Strategies to Pursue the Goals of Amherst's Housing Policy

The 2003 Housing Plan aims to implement the Town's Housing Policy through the following strategies.

To preserve, develop, and/or replenish Amherst's supply of affordable and diverse housing:

1. Examine Town-owned and Amherst Housing Authority-owned properties, and seek opportunities to create additional units.
2. Encourage the University of Massachusetts to create affordable and accessible housing both on and off campus, including a joint effort on the Town's and University's adjoining parcels off Olympia Drive. While continuing to plan in a

coordinated fashion for the Town's and University's Olympia Drive parcels, move forward on developing the Town's parcel even if University action is delayed.

3. Establish and fund a Housing Trust Fund that can act quickly and effectively as opportunities arise to further Amherst's housing goals
4. Continue to request the Community Preservation Act Committee to commit each year a percentage of funds above the minimum to affordable housing so as to create a flexible, consistent stream of funding that is not tied in advance to specific projects.
5. Formalize a process that includes the Housing Partnership/Fair Housing Committee in discussions relating to Town-owned land and buildings and in deliberations during the review and permit process relating to development or redevelopment of privately owned land.
6. Gain gifts of affordable and/or diverse units within existing multi-family buildings.
7. Assess surplus and/or vacant town-owned properties to determine how their use or reuse might include housing units that add to the community's supply of affordable and diverse housing.
8. Seek perpetuity for any affordability restrictions that may have dates of expiration.
9. Continue to pursue regional efforts to provide needed types of diverse, affordable, and accessible housing.
10. Acquire affordable housing restrictions through the development review and permitting process, as part of loan and grant programs, and through other means as possible. For example, require a percentage of affordable units in all proposed projects that are subject to Special Permit. Add this strategy to the subdivision process to the extent possible. Consider zoning strategies that allow construction of needed housing types by right with design standards
11. Consider an expedited review and permitting process for development proposals that will create affordable housing units.
12. Consider allowing infill construction only if it includes an element of diverse, affordable housing. Also consider allowing such infill on lots that are currently unbuildable, with design standards.

13. Consider an amnesty program for illegal apartments as part of a program to bring them into compliance with safety codes.

To promote access to housing:

1. Continue to upgrade existing affordable housing units for compliance with building and accessibility codes, including continued use of outside grants funds.
2. Establish a Rental Assistance Revolving Loan Fund to assist with renter start-up costs of security deposit, last month's rent, and finder's fee
3. Establish a First Time Home Buyer Revolving Loan Fund that assists with down payment and closing costs, with long-term deed restrictions to keep the homes affordable
4. Gain more units that are accessible through review and permitting processes, through loan and grant programs, and through other methods.

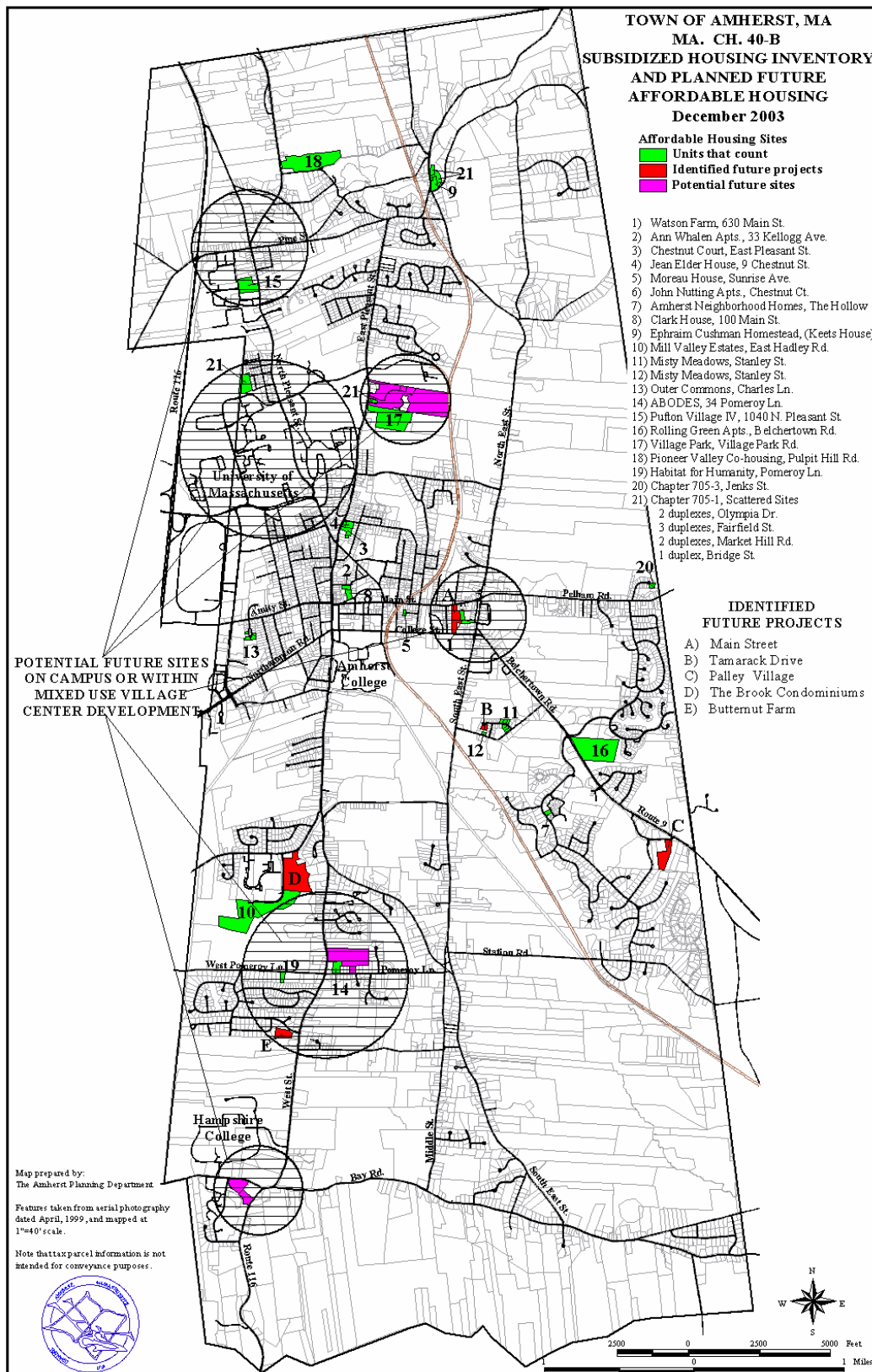
To educate the public and enforce housing laws and protections:

1. Reach out to owners of rental units in older mixed use, one-family, two-family, and three-family and involve them in rehabilitation programs targeted to bring their buildings up to code. Create flexible & affordable loan programs for mixed use buildings, which often do not qualify for commercial funding through banks.
2. Create a website that is linked to the Town website to promote affordable housing, public information on Town Meeting articles pertaining to housing, position taken by the HP/FHC, Community Preservation Act Proposals, information on the Housing Trust Fund, and information on programs for renters and first-time homebuyers.
3. Carry out a campaign to educate the public about the need for affordable housing: guest speakers, interviews, press releases, speaking engagements, letters to the editor, public service announcements.
4. Reach out to "new housing allies", such as teachers, local employees and employers, communities of faith, and others who are living the stresses created by Amherst's housing situation. Engage them in efforts to publicize and deal with the community's housing needs.

B. Housing Plan Map

The accompanying map illustrates the basic strategies that guide Amherst's on-going efforts to maintain and increase affordable housing choices in ways that support the community's desired future:

- Maintain current affordable units, and continue to pursue opportunities for affordable and accessible units on sites throughout the community.
- Encourage and work with local institutions of higher education to provide housing to meet the needs of their respective campus communities, either on- or off-campus.
- Fit a range of accessible and affordable housing choices within Amherst's evolving village centers.



C. Priority Actions

On October 22, 2003, the Housing Partnership/Fair Housing Committee convened a public forum to consider and confirm the findings and recommendations that had emerged from the 2003 effort to date. Special attention was placed on the recommended strategies, and participants were asked to suggest priorities and timing for putting the strategies into action.

As a group, participants confirmed the following 3 strategies as **priorities**, because they could accomplish the most toward implementing the updated *Plan's* goals¹⁰

1. Encourage & work with the University to build housing on campus and off campus for students, faculty and staff. This is crucial not only in light of the current shortfall in such housing, but also in light of the University's announced intentions of attracting 10,000 additional students and increasing major components of the campus, for example research.
2. Conduct a broad-based, assertive, on-going outreach and information effort to raise the community's awareness of why housing needs are so important to the community, and what the community may do about addressing the needs. Information and strategies that were mentioned during the session and could be included in the information effort are:
 - a. Where diverse, accessible, affordable housing fits in the Town's priorities
 - b. Needs and opportunities to balance Amherst's housing, economic development, and conservation efforts
 - c. Challenge the "political correctness" label with information about the real housing needs of Amherst's residents, including long-time residents.
 - d. Come up with a better name or phrase that sums up what Amherst's effort is about [possibly SMART: Safe Mixed-income Accessible Reasonably priced Transit-oriented]
 - e. Stress the positive assets that come from diverse, affordable, accessible housing
 - f. Inform general public how zoning provisions regarding diverse housing could work for them
 - g. Counter individual property owners' fear/reluctance to come before boards for permits
3. In the end it comes down to money to combat the impact of market prices. Marshall financial resources directed toward maintaining and creating the range and quality of housing envisioned by the *Affordable Housing Plan*. Suggested options include:
 - a. An Amherst Affordable Housing Trust Fund
 - b. The University tapping its ability to bond, and directing the funds to a variety of strategies: construction units, a mortgage subsidy for faculty and staff perhaps with incentives to live where walking or transit replaces commuting by car
 - c. Press for endowments of the area's higher education institutions to invest some of their funds in housing construction/reconstruction, possibly via the Affordable Housing Trust Fund. Investment of pension funds should also be sought.
 - d. Institute an Affordable Housing Preservation Restriction program similar to the Agricultural Preservation Restriction program. This would buy equity from owners of homes in exchange for

¹⁰ NOTE: sequence does not indicate priority among these three top points

a deed restriction that keeps the home affordable to subsequent buyers. [There are numerous examples of such covenants and deed restrictions, so the legal tools are there.]

Other actions that were suggested are:

1. Work for an active partnership with surrounding towns, both those that host academic institutions and those who serve as “bedroom communities” for those who commute to work and class at the colleges and University. Seek to provide needed housing that is linked with ecologically sound transportation.
2. Work with legislators to pass a State statute that enables towns to require a percentage of affordable units in all new housing projects.
3. Inventory and analyze the 345 lots that are categorized by the Assessor as “unbuildable”. Determine whether and how small infill homes might be allowed or encouraged in exchange for affordability deed restrictions.
4. Inventory all the outbuildings in town, for example garages, carriage houses, & barns. Determine whether and how these might be converted to include small affordable units.
5. Consider changing the lot size requirements for 2-family and 3-family homes. Is the required lot size too large? Consider whether smaller lots with site plan standards might create needed choice that would fit in the neighborhood.
6. Keep reaching out to recruit creative, energetic volunteers to work on Amherst’s housing effort.

D. Implementation

As of December 2003, the Town of Amherst is working on priority actions toward implementing the *2003 Affordable Housing Plan*’s strategies:

For this year:

1. The Housing Partnership/Fair Housing Committee [HP/FHC] is working to complete a housing restriction agreement with the developer of Palley Village to secure four [4] new affordable homeownership units, under a contract zoning agreement.
2. With Community Preservation Act [CPA] assistance from Town Meeting, the Amherst Housing Authority [AHA] is moving ahead with plans to build two duplexes [4 units] of affordable rental housing on a Tamarack Drive property owned by AHA.
3. Using CPA funding, AHA has purchased and thereby preserved four [4] units of affordable rental housing in the Keet House, an expiring use property in Cushman Village.
4. Town Meeting also approved CPA funding for interim costs associated with AHA development of two [2] accessible affordable rental units donated by The Brook condominium complex.

For future years:

5. The HP/FHC and AHA are working together to establish a Housing Trust Fund [HTF]. The Fall 2003 Special Town Meeting approved CPA funding for a feasibility study to examine the concept in detail and to map out how an HTF would work in Amherst.
6. Town Meeting approved CPA funds to secure property on Main Street and carry out pre-development studies to determine the extent of possible affordable rental housing development [possibly 5 – 10+ units].
7. At HP/FHC's request, Town Meeting Authorized the Amherst Select Board to seek a Special Act correcting and amending the eminent domain purpose of a property on Olympia Drive. This would allow the Town to pursue development of affordable housing on the property, as originally intended.
8. The HP/FHC continues working discussions with representatives of the University of Massachusetts regarding the potential construction of housing for the University community on University land both on- and off-campus, including Olympia Drive [see #7, above].